

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 3549-02
BILL NO.: HB 1759
SUBJECT: Health Care; Health Department; Health, Public
TYPE: Original
DATE: March 6, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue	(\$2,964,827)	(\$3,514,440)	(\$3,604,377)
Total Estimated Net Effect on <u>All</u> State Funds	(\$2,964,827)	(\$3,514,440)	(\$3,604,377)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health (DOH)** state this proposal would license all food establishments in Missouri. DOH states that Missouri is currently one of just a few states without statewide licensing of food establishments. The licensing would assist in achieving compliance with health standards in food establishments thus in the long term reduce the number of foodborne illnesses in the state. DOH states that to calculate the fiscal impact, they estimated the number of inspectors to be contracted through local public health necessary to assure all food establishments in the state would be inspected twice per year as the proposal mandates and subtracted the number currently available for food inspection. DOH used the following calculations and assumptions: Missouri has 25,000 food establishments inspected approximately one time each year with follow-up for those failing the initial inspection. The 1999 FDA Model Food Code recommends two inspections per year. This is an additional 25,000 inspections. DOH estimates that twenty percent followup for a total of 30,000 inspections. The average time needed for an inspection including report preparation and travel time is four hours (30,000 inspection x four hours = 120,000 hours needed / 2080 hours per inspector) would need 58 inspectors. These inspectors would be needed to address the entire additional food inspection work load statewide. Each county may not need a full inspector. Some counties would only need a partial inspector to meet the demands of the proposal while some counties would need more than one to meet their local demands for a total \$2,826,920 annually.

DOH states the central office staff would need one (1) Environmental Public Health Specialist IV, one (1) Computer Information Technologist II, and two (2) Clerk Typists II would support the local staff through consultation, training, and record-keeping. In addition, six (6) Environmental Public Health Specialist IIIs would be located at the district offices supporting local staff.

Oversight assumes that current data processing resources could absorb the requirements of this proposal.

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<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
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GENERAL REVENUE FUND

Costs - Department of Health

Personal services (9 FTE)	(\$274,622)	(\$337,478)	(\$345,915)
Fringe benefits	(\$84,336)	(\$103,774)	(\$106,369)
Expense and equipment	(\$150,161)	(\$109,098)	(\$112,371)
Local assistance	<u>(\$2,456,068)</u>	<u>(\$2,964,090)</u>	<u>(\$3,039,722)</u>
Total <u>Costs</u> - Department of Health	<u>(\$2,964,827)</u>	<u>(\$3,514,440)</u>	<u>(\$3,604,377)</u>

**ESTIMATED NET EFFECT ON
GENERAL REVENUE FUND**

<u>(\$2,964,827)</u>	<u>(\$3,514,440)</u>	<u>(\$3,604,377)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
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<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

Small businesses would expect to be fiscally impacted to the extent they would incur additional administrative costs due to the requirements of this proposal.

DESCRIPTION

This proposal would require the Department of Health, by rule, to adopt the Food and Drug Administration's Food Code of 1999.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Department of Health

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large, circular initial "J" and a long, sweeping horizontal stroke at the end.

Jeanne Jarrett, CPA
Director
March 6, 2000